GOVERNMENT OF INDIA
DISINVESTMENT
LOK SABHA

UNSTARRED QUESTION NO:1177
ANSWERED ON:26.11.2002
FUNDS FROM DISINVESTMENT
T.T.V. DHINAKARAN

Will the Minister of DISINVESTMENT be pleased to state:

(a) the total resources mobilized through disinvestment during the last two years; and

(b) the quantum of funds spent in rehabilitating the affected workers?

Answer

MINISTER OF DISINVESTMENT, MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION AND MINIST
COMMERCE & INDUSTRY (SHRI ARUN SHOURIE)

(a) The amount realised through disinvestment during 2000-2001 and 2001-2002 was Rs.1868.73 crore and Rs.5,632.25 crore (inclusive of special interim dividend, dividend tax, transfer of cash reserves etc.) respectively.

(b) The proceeds from disinvestment are deposited in the Consolidated Fund of India from which all expenditure, including that on rehabilitation of workers and structuring of PSUs, is incurred.In addition as per the Transaction Agreements entered into by the Strategic Partner with the Government, retrenchment of employees is not permitted for a period of one year after disinvestment and even thereafter separation is possible only under the Voluntary Retirement Scheme as applicable under DPE guidelines or the Voluntary Separation Scheme which was prevailing in the company prior to disinvestment, whichever is more beneficial for the employee.